

Introduced by Senator Benoit

February 27, 2009

An act to amend Section 16000 of the Business and Professions Code, relating to business licenses.

LEGISLATIVE COUNSEL'S DIGEST

SB 807, as introduced, Benoit. Business licenses.

Existing law authorizes the legislative body of an incorporated city to license businesses carried on within its jurisdiction and to set license fees as specified.

This bill would make technical, nonsubstantive changes to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 16000 of the Business and Professions
2 Code is amended to read:
3 16000. (a) The legislative body of an incorporated city may,
4 in the exercise of its police power, and for the purpose of
5 regulation, as herein provided; and not otherwise, license any kind
6 of business not prohibited by law transacted and carried on within
7 the limits of its jurisdiction, including all shows, exhibitions, and
8 lawful games, and may fix the rates of the license fee and provide
9 for its collection by suit or otherwise. Any legislative body,
10 including the legislative body of a charter city, that fixes the rate
11 of license fees pursuant to this subdivision upon a business
12 operating both within and outside the legislative body's taxing

1 jurisdiction, shall levy the license fee so that the measure of the
2 fee fairly reflects that proportion of the activity actually carried
3 on within the taxing jurisdiction.

4 (b) No license fee levied pursuant to subdivision (a) that is
5 measured by the licensee's income or gross receipts, whether levied
6 by a charter or general law city, shall apply to any nonprofit
7 organization that is exempted from taxes by Chapter 4
8 (commencing with Section 23701) of Part 11 of Division 2 of the
9 Revenue and Taxation Code or Subchapter F (commencing with
10 Section 501) of Chapter 1 of Subtitle A of the Internal Revenue
11 Code of 1986, or the successor of either, or to any minister,
12 clergyman, Christian Science practitioner, rabbi, or priest of any
13 religious organization that has been granted an exemption from
14 federal income tax by the United States Commissioner of Internal
15 Revenue as an organization described in Section 501(c)(3) of the
16 Internal Revenue Code or a successor to that section.

17 (c) Before a city, including a charter city, issues a business
18 license to a person to conduct business as a contractor, as defined
19 in Section 7026, the city shall verify that the person is licensed by
20 the Contractors' State License Board.